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10/590,162	07/12/2007	Vincent W. Talbert	3805-062480	4070

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EXAMINER

CHANG, EDWARD

ART UNIT	PAPER NUMBER
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3692

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/590,162	Applicant(s) TALBERT ET AL.	
	Examiner EDWARD CHANG	Art Unit 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on 21 August 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-44 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-44 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 21 August 2006 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☒ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>09/17/2008</u> . | 6) <input type="checkbox"/> Other: _____ |

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DETAILED ACTION

Status of Claims

1. This action is in reply to the application filed on 21st of August 2006.
2. Claims 1-44 are currently pending and have been examined.

Claim Rejections - 35 USC § 112

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims **1-44** are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The limitation *...consumer/transaction...* is vague and indefinite because it is not clear how the claim is bounded. Does the applicant mean "consumer and transaction" or "consumer or transaction"? Please change the wording of the claim.

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

6. Claims 1-23 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

A claimed process is eligible for patent protection under 35 U.S.C. § 101 if:

"(1) it is tied to a particular machine or apparatus, or (2) it transforms a particular article into a different state or thing. See Benson, 409 U.S. at 70 ('Transformation and reduction of an article 'to a different state or thing' is the clue to the patentability of a process claim that does not include particular machines. '); Diehr, 450 U.S. at 192 (holding that use of mathematical formula in process 'transforming or reducing an article to a different state or thing' constitutes patent-eligible subject matter); see also Flook, 437 U.S. at 589 n.9 ('An argument can be made [that the

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Supreme] Court has only recognized a process as within the statutory definition when it either was tied to a particular apparatus or operated to change materials to a 'different state or thing' '); Cochrane v. Deener, 94 U.S. 780, 788 (1876) ('A process is...an act, or a series of acts, performed upon the subject-matter to be transformed and reduced to a different state or thing.').⁷ A claimed process involving a fundamental principle that uses a particular machine or apparatus would not pre-empt uses of the principle that do not also use the specified machine or apparatus in the manner claimed. And a claimed process that transforms a particular article to a specified different state or thing by applying a fundamental principle would not pre-empt the use of the principle to transform any other article, to transform the same article but in a manner not covered by the claim, or to do anything other than transform the specified article." (*In re Bilski*, 88 USPQ2d 1385, 1391 (Fed. Cir. 2008))

Also noted in *Bilski* is the statement, "Process claim that recites fundamental principle, and that otherwise fails 'machine-or-transformation' test for whether such claim is drawn to patentable subject matter under 35 U.S.C. §101, is not rendered patent eligible by mere field-of-use limitations; another corollary to machine-or-transformation test is that recitation of specific machine or particular transformation of specific article does not transform unpatentable principle into patentable process if recited machine or transformation constitutes mere 'insignificant post-solution activity.'" (*In re Bilski*, 88 USPQ2d 1385, 1385 (Fed. Cir. 2008)) Examples of insignificant post-solution activity include data gathering and outputting. Furthermore, the machine or transformation must impose meaningful limits on the scope of the method claims in order to pass the machine-or-transformation test. Please refer to the USPTO's "Guidance for Examining Process Claims in view of *In re Bilski*" memorandum dated January 7, 2009, http://www.uspto.gov/web/offices/pac/dapp/opla/documents/bilski_guidance_memo.pdf.

It is also noted that the mere recitation of a machine in the preamble in a manner such that the machine fails to patentably limit the scope of the claim does not make the claim statutory under 35 U.S.C. § 101, as seen in the Board of Patent Appeals Informative Opinion *Ex parte Langemyr et al.* (Appeal 2008-1495), <http://www.uspto.gov/web/offices/dcom/bpai/its/fd081495.pdf>.

Claims 1-23 are not tied to a particular machine or apparatus nor do they transform a particular article into a different state or thing, thereby failing the machine-or-transformation test; therefore, claims 1-23 are non-statutory under § 101.

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Appropriate correction is required.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Examiner's Note: The Examiner has pointed out particular references contained in the prior art of record within the body of this action for the convenience of the Applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply. Applicant, in preparing the response, should consider fully the entire reference as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the Examiner.

8. Claims 1~44 are rejected under 35 U.S.C. 102(b) as being anticipated by Lee et al. (hereinafter "Lee"); (US 2002/0099649 A1).

As per Claims 1, 24, 44:

Lee as shown discloses the following limitations:

- *providing a consumer transaction data set including a plurality of data fields to a central credit issuer database; (See at least Fig.3, Item 304, 322)*
- *determining a processing queue based upon the data contained in at least one of the data fields in the consumer transaction data set, the processing queue including a plurality of prioritized target transactions; (See at least Fig.3, Item 302, 320)*

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- *comparing at least one data field from the consumer transaction data set directed to the consumer engaged in the prioritized target transaction with at least one data field in at least one of the central credit issuer database and a third party database; and (See at least Fig.3, Item 308, 314, 326)*
- *determining a consumer/transaction identifier based upon the comparison; wherein the determination is completed prior to at least one of goods being shipped by the merchant to the consumer and services being performed by the merchant. (See at least Fig.3, Item 310, 328)*

As per Claim 2:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of contacting the consumer to verify the transaction based upon the consumer/transaction identifier in step (d). (See at least Page 27, Paragraph 0348+, "...customer contacted...")*

As per Claim 3:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein at least one of steps (b)-(d) are performed by a central credit issuer. (See at least Page 24, Paragraph 0290+, "...authorized by the issuer...")*

As per Claims 4, 25:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein at least one of steps (a)-(d) are automatically performed by a computing device. (See at least Fig.2, Item 200, 112, 102)*

As per Claims 5, 26:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the computing device is at least one of a personal computer, a networked device, a laptop, a palmtop, a personal digital assistant and a server. (See at least Fig.2, Item 200, Proxy server)*

As per Claims 6, 28:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the consumer transaction data set includes at least one field populated with data reflecting at least one of a consumer's name, an account number, an address, a city, a state, a zip code, a telephone number, an e-mail address, a social security number, a date of birth, the merchant's name, an identification, an order number, an authorization number, an authorization date, an authorization time, an authorization amount, a ship-to address, a bill-to address and a transaction amount. (See at least Page 1, Paragraph 0003+, "...name, address...")*

As per Claims 7, 29:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the central credit issuer database includes a plurality of fields populated with data reflecting at least one of a consumer's name, an account number, an address, a city, a state, a zip code, a telephone number, an e-mail address, a social security number, a date of birth, the merchant's name, an identification, an order number, an authorization number, an authorization date, an authorization time, an authorization*

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amount, a ship-to address, a bill-to address, a transaction amount, a company identity, a merchant identity, a third party risk score, a general credit risk score, a credit bureau risk score, a prior approval, a merchant type, a customer type, prior report data, previous transaction data, a geographical risk factor, credit account data, bankcard balance data, delinquency data, credit segment data, and ship-to country. (See at least Page 2, Paragraph 0039+, "...name, address, phone number...")

As per Claims 8, 30:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the third party database includes a plurality of fields populated with data reflecting at least one of a consumer's name, an account number, an address, a city, a state, a zip code, a telephone number, an e-mail address, a social security number, a date of birth, the merchant's name, an identification, an order number, an authorization number, an authorization date, an authorization time, an authorization amount, a ship-to address, a bill-to address, a transaction amount, a company identity, a merchant identity, a third party risk score, a general credit risk score, a credit bureau risk score, a prior approval, a merchant type, a customer type, prior report data, previous transaction data, a geographical risk factor, credit account data, bankcard balance data, delinquency data, credit segment data, and ship-to country. (See at least Page 2, Paragraph 0039+, "...name, address, phone number..."); (Also see at least Page 7, Paragraph 0116+, "...other transaction information sources...")*

As per Claims 9, 31:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the central credit issuer database includes at least one sub-database containing at least one field therein. (See at least Page 7, Paragraph 0116+, "...other transaction information sources...")*

As per Claims 10, 32:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the central credit issuer database includes at least one of: (i) a transaction database including fields populated by data reflecting transaction information; (ii) a verification database including fields populated by data reflecting verification information; and (iii) a credit issuer database including fields populated by data reflecting credit issuer information. (See at least Page 3, Paragraph 0043+, "...information about the requested transaction...")*

As per Claim 11:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of providing a third party data set from at least one third party database to the central credit issuer database. (See at least Fig.1, Item 129)*

As per Claim 12:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of providing a credit issuer consumer credit history data set from a credit issuer to the central credit issuer database. (See at least Page 4, Paragraph 0066+, "...the historical data...")*

As per Claims 13, 33:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of categorizing the prioritized target transaction based upon the consumer/transaction identifier, thereby providing a categorized target transaction. (See at least Page 7, Paragraph 0116+, "...three categories of information...")*

As per Claims 14, 34:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of performing an action based upon the categorized target transaction. (See at least Page 7, Paragraph 0116+, "...evaluation...")*

As per Claims 15, 35:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the action is at least one of: (i) interacting with the merchant; (ii) interacting with the customer; (iii) communicating with the merchant; (iv) communicating with the customer; (v) gathering additional transaction data; (vi) gathering additional customer*

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data; (vii) gathering additional merchant data; (viii) approving the categorized transaction; (ix) denying the categorized transaction; (x) queuing the categorized transaction for further delayed action; (xi) interacting with the central credit issuer database; and (xii) requesting further data from at least one of the customer, the merchant, a credit issuer, a credit issuer database, a third party and a third party database. (See at least Page 7, Paragraph 0116+)

As per Claims 16, 36:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of determining a verification queue at least partially based upon the consumer/transaction identifier, thereby providing at least one verification target consumer. (See at least Page 4, Paragraph 0067+, "...scoring system...")*

As per Claims 17, 37:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *performing an action directed to at least one of the verification target consumer and the verification target transaction. (See at least Page 4, Paragraph 0065+, "...scoring request and estimates...")*

As per Claims 18, 38:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the verification queue is dynamically determined and modified in a real-time format. (See at least Page 7, Paragraph 0116+, "...dynamic and static components...updated in real-time with each other...")*

As per Claims 19, 39:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the verification queue is determined based upon a set of predetermined rules directed to at least one of the data fields of at least one of the consumer transaction data set, the central credit issuer database and the consumer/transaction identifier. (See at least Page 5, Paragraph 0076+, "...eFalcon system operates....using the rule engine...")*

As per Claims 20, 40:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the processing queue is dynamically determined and modified in a real-time format. (See at least Page 5, Paragraph 0075+, "...formulated as computational rules...rule engine integrating a real-time decision making process into the merchant's order fulfillment system...")*

As per Claims 21, 41:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the processing queue is determined based upon a set of predetermined rules directed to at least one of the data fields of the consumer transaction data set. (See at least Page 5, Paragraph 0075+, "...formulated as computational rules...")*

As per Claims 22, 42:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *comprising the step of providing an indicator to a user, the indicator based upon the determined consumer/transaction identifier. (See at least Fig.6, Item 600)*

As per Claim 23, 43:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the indicator is at least one of: (i) a visual indicator that is at least one of a letter, a symbol, a term, a word, a phrase, a number, a color, a picture and a visual representation; and (ii) an audio indicator that is at least one of a sound, an alarm, an audio file, a digital sound, and an analog sound. (See at least Fig.6, Item 600)*

As per Claim 27:

Lee discloses the limitations as shown in the rejections above. Furthermore, Lee also discloses the following limitations:

- *wherein the input mechanism is at least one of a direct-input device, a keyboard, a transmission device, a modem, a network and the Internet. (See at least Fig.1, Item 116, 121, 104)*

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Conclusion

Any inquiry of a general nature or relating to the status of this application or concerning this communication or earlier communications from the Examiner should be directed to **Edward Chang** whose telephone number is **571.270.3092**. The Examiner can normally be reached on Monday-Friday, 9:30am-5:00pm. If attempts to reach the examiner by telephone are unsuccessful, the Examiner's supervisor, **Kambiz Abdi** can be reached at **571.272.6702**.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://portal.uspto.gov/external/portal/pair> <<http://pair-direct.uspto.gov>>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at **866.217.9197** (toll-free).

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April 1, 2009
/Edward Chang/ Examiner, Art Unit 3692
/Susanna M. Diaz/

Primary Examiner, Art Unit 3692